

286.4-410 Definitions -- Application of subtitle.

- (1) As used in this subtitle, unless the context requires otherwise:
 - (a) "Applicant" means a person filing an application under this subtitle;
 - (b) "Consumer loan company" means a person licensed under this subtitle to engage in the business of making loans to a consumer for personal, family, or household use in the amount or value of fifteen thousand dollars (\$15,000) or less;
 - (c) "Control" means the power to direct the management or policies of a licensee or applicant, whether through ownership of securities, by contract, or otherwise;
 - (d) "Executive officer" means a natural person holding the title or responsibility of president, vice president, chief executive officer, chief financial officer, chief operational officer, or chief compliance officer;
 - (e) "Licensee" means a person licensed under this subtitle;
 - (f) "Managing principal" means a natural person who meets the requirements of KRS 286.4-450 and actively participates in and is primarily responsible for the operations of a licensee;
 - (g) "Material fact" means a fact that a reasonable person knows, or should know, that could reasonably be expected to influence any decision or action taken by the commissioner under this subtitle;
 - (h) "Nationwide consumer reporting agency" means a consumer reporting agency that compiles and maintains files on consumers on a nationwide basis as defined by Section 603(p) of the Fair Credit Reporting Act, 15 U.S.C. sec. 1681a(p); and
 - (i) "Person in control of a licensee or applicant" means, with respect to an applicant or licensee, any of the following:
 1. A director, general partner, or executive officer;
 2. In the case of a limited liability company, a managing member or manager;
 3. Any person who directly or indirectly has the right to vote twenty-five percent (25%) or more of a class of voting securities;
 4. Any person who has the power to sell or direct the sale of twenty-five percent (25%) or more of a class of voting securities;
 5. In the case of a partnership or limited liability company, any person that has the right to receive twenty-five percent (25%) or more of the capital upon dissolution; or
 6. Any person that exercises control.
- (2) This subtitle shall not apply to any person doing business under and as permitted by any law of this state or of the United States relating to banks, savings banks, trust companies, savings and loan associations, agricultural cooperative associations, credit unions, industrial loan companies, or licensed pawnbrokers. This subtitle

does not apply to the purchase or acquisition, directly or indirectly, of notes, chattel mortgages, installment or conditional sales contracts, embodying liens or evidencing title retention arising from the bona fide sale of goods or services by a seller of the goods or services.

Effective: June 27, 2019

History: Amended 2019 Ky. Acts ch. 120, sec. 1, effective June 27, 2019. -- Amended 2010 Ky. Acts ch. 24, sec. 656, effective July 15, 2010. -- Amended 1984 Ky. Acts ch. 388, sec. 7, effective July 13, 1984. -- Created 1960 Ky. Acts ch. 204, sec. 1, effective June 16, 1960.

Formerly codified as KRS 288.410.

Legislative Research Commission Note (7/12/2006). In accordance with 2006 Ky. Acts ch. 247, secs. 38 and 39, this statute has been renumbered as a section of the Kentucky Financial Services Code, KRS Chapter 286, and KRS references within this statute have been adjusted to conform with the 2006 renumbering of that code.